

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7479**

**BILL NUMBER:** HB 1645

**NOTE PREPARED:** Feb 24, 2003

**BILL AMENDED:** Feb 20, 2003

**SUBJECT:** Evansville State Hospital Property.

**FIRST AUTHOR:** Rep. Hasler

**FIRST SPONSOR:** Sen. Server

**BILL STATUS:** As Passed - House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:**(Amended) This bill provides that local zoning ordinances and requirements relating to municipal roads and streets do not apply to certain property in Vanderburgh County. It requires the conveyance of certain Evansville State Hospital property to the city of Evansville and certain other grantees. The bill requires the Department of Transportation (INDOT) to work with the city of Evansville and other persons for establishment of a greenway system connecting to the Evansville State Hospital property. The bill also requires an environmental audit and remediation of contamination found before conveying the interests required. It specifies that Tract III may not be used for public or private housing.

**Effective Date:** (Amended) Upon Passage.

**Explanation of State Expenditures:** (Revised) P.L. 195-2001 was passed by the General Assembly to convey certain state property formerly occupied by the Evansville State Hospital to unnamed grantees. The parcels of land to be conveyed have not been appraised, so their value is not known. This bill specifies the three parties to receive the parcels: Preservation Park, Inc., a non-profit organization; the city of Evansville; and the Buffalo Trace Council of the Boy Scouts of America. The conveyance of the parcels is to be made without consideration, that is at no cost to the parties involved.

In addition, the INDOT is to assist the city of Evansville and the Evansville Urban Transit Study to determine the most practical way to connect the grounds of the Evansville State Hospital with Wesselman Park, Wesselman Woods, and the Pigeon Creek greenway system. For the INDOT, there will additional costs associated with this work, most likely additional travel and staff time. The fund affected is the State Highway Fund.

The amendment of February 17, 2003, requires the Department of Administration to conduct an

environmental audit of the real property to be conveyed under the proposal and remediate contamination found before conveying the interests required to be conveyed. The table below shows the estimated costs to comply with the requirements of the amendment.

Item	Cost
Demolition of 19 buildings	\$3,295,960
Removal of asbestos and hazardous material	\$1,200,000
Environmental Audit	\$3,000
<b>Total</b>	<b>\$4,498,960</b>

There are 19 buildings which must be demolished according to the Physical Plant Director of Evansville State Hospital. The total cost to demolish these building is estimated at \$3.3 M, although three of the buildings have some historic significance and possibly would be spared demolition. This would reduce the total from \$3.3 M to just under \$3.0 M. The asbestos and hazardous waste removal would cost an estimated \$1.2 M, while the environmental audit itself would cost about \$3,000.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The costs for the city of Evansville are unknown and will depend upon the decisions made by the city, the INDOT, and the Evansville Urban Transit Study.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Transportation; Department of Administration.

**Local Agencies Affected:** City of Evansville.

**Information Sources:** Mark Dearing, Director of the Physical Plant at Evansville State Hospital, 1-812-473-2382.

**Fiscal Analyst:** James Sperlik, 317-232-9866.